



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 4
ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

FEB 22 2007

Mr David Smith, Director
Wood Manufacturing
Engineered Polymer Solutions, Inc. dba Valspar Coatings
1717 English Road
High Point, NC 27261

Dear Mr Smith:

I am writing to inform Engineered Polymer Solutions, Inc – d.b.a. Valspar Coatings (Valspar) of the requirement to submit an application for a Clean Air Act (CAA) title V federal operating permit for the High Point Plant located in High Point, North Carolina. As is discussed in more detail below, the North Carolina Division of Air Quality (NCDAQ) failed to submit a revised proposed permit that adequately addressed the U.S. Environmental Protection Agency (EPA), Region 4's October 27, 2006, objections to the proposed title V permit for the High Point facility. Thus, consistent with section 505(c) of the CAA, 42 U.S.C. § 7661d(c), and the regulations promulgated hereunder at 40 CFR § 70.8(c)(4), EPA has authority to initiate the federal permit process. We request that Valspar submit a title V permit application to EPA within nine months of receipt of this letter.

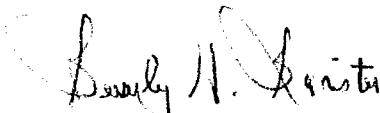
EPA gave final approval to the North Carolina's title V (40 CFR Part 70 or part 70) permitting program on October 1, 2001. Although this approval gave NC DAQ primary responsibility for issuing title V permits for sources under its jurisdiction, EPA retained authority to determine whether state-issued permits comply with all requirements of the CAA and part 70. Section 505(c) of the CAA and 40 CFR § 70.8 describe EPA's role and the process by which NC DAQ can correct its proposed permit in response to EPA's objection. If EPA reviews a proposed permit and issues an objection, then, consistent with section 505(c) of the Act, 40 CFR § 70.8, NC DAQ must correct the permit to address the objection within ninety days. If NC DAQ does not correct the proposed permit within this time frame, then EPA may initiate the federal permit process pursuant to 40 CFR Part 71 (part 71).

EPA objected to the proposed title V permit for the High Point Plant NC DAQ on October 27, 2006, based on our understanding that the processes involved at the facility were chemical processes. NC DAQ has taken no action to propose a new permit that addresses EPA's objections. As a result, EPA is now initiating the federal permit process described in part 71.

Enclosed please find an application for a title V permit under part 71 (Attachment 2). This application is due to EPA within nine (9) months from the date on which Valspar receives of this letter. EPA is open to discuss alternate formats that you may wish to use to submit the required information. It is also recommended that you consult with EPA to ensure that a complete application is submitted by the deadline specified above to ensure that Valspar obtains its part 71 permit application shield. If you wish to make a business confidentiality claim under 40 CFR Part 2, Subpart B, for any information submitted with your application, you must submit that claim with your application. For additional information regarding the part 71 permit and process, please see EPA's notice of final rulemaking, 61 FR 34202, July 1, 1996. Pursuant to 40 CFR § 71.11(d), after receiving your complete application, EPA will provide Valspar and the public with its draft decision on issuance or denial of a title V permit. This will be followed by a 30-day review and comment period prior to EPA making its final decision. Once the permit is issued, Valspar will be required to submit the initial part 71 fees, as required by 40 CFR § 71.9(g).

This letter does not constitute final Agency action to issue or deny a permit to High Point Plant under title V of the Act, or any other kind of final agency action under section 307(b) of the CAA, 42 U.S.C. § 7607(b). We are available to further explain the part 71 permit application requirements or to answer any questions that you have regarding the part 71 permit issuance process. If you have any questions, please contact me or Mr. Gregg Worley, Chief, Air Permits Section, at (404) 562-9141.

Sincerely,



Beverly H. Banister
Director
Air, Pesticides and Toxics
Management Division

Enclosures

cc: Keith Overcash, NC DAQ